



## News Release

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**MOST AMERICANS NOW CAN PREPARE & FILE THEIR TAXES ONLINE FOR FREE;  
TREASURY, OMB, IRS LAUNCH NEW FREE FILE WEBSITE**

WASHINGTON – Today the Treasury Department, Office of Management and Budget (OMB) and the Internal Revenue Service (IRS) launched a new Web site featuring private-sector partners that will allow most taxpayers to prepare and file their taxes online for free. A substantial majority of citizens will be eligible to use this service at [www.irs.gov](http://www.irs.gov) or through [www.firstgov.gov](http://www.firstgov.gov).

President Bush proposed free online tax filing last February as one of his E-Government initiatives. Less than one year later, millions of Americans will benefit from free online tax filing services. Treasury, OMB and IRS have made this possible through a public-private partnership with a consortium of tax software companies, the Free File Alliance, LLC.

Free File is an easy, fast and secure way for citizens to file taxes and will also allow Americans to get refunds in half the time. The efficiency of E-file saves taxpayers and the IRS money.

"No one likes paying taxes—it's too confusing and time consuming. The launch of this new website is great news for millions of Americans. Free File makes it easy. Now they can save time, money and get their refunds in half the time by filing their taxes online for free," stated Acting Treasury Secretary Kenneth W. Dam.

"Simply paying taxes is burden enough without the extra costs in time and professional help that too many Americans have endured until now. The advent of free, fast filing for a substantial majority of taxpayers marks a great breakthrough for the President's agenda to make the federal government put the needs of the citizen first," said Director of the OMB Mitchell E. Daniels, Jr.

"Free File puts e-file within reach of more taxpayers than ever. They'll soon discover what the 47 million taxpayers who e-filed last year already know. E-file is quicker. E-file is more accurate. E-file is the best way to confirm the IRS received your return, and it's the fastest route to a refund," said IRS Acting Commissioner Robert Wenzel.

Each Free File Alliance member company sets taxpayer eligibility requirements for its own program. These requirements will differ from company to company. Generally, eligibility will be based on factors such as age, adjusted gross income, state residency, military status or eligibility to file a Form 1040EZ or for the Earned Income Tax Credit.

The agreement requires the Alliance, as a whole, to provide free services for at least 60 percent or 78 million of the nation's taxpayers during each filing season. As of January 16, 2003, the industry

has exceeded that requirement. The number may fluctuate throughout the filing season as Alliance membership and offers change. The primary candidates for Free File are those taxpayers who prepare their own taxes and still file paper returns. Last filing season, the IRS received nearly 85 million paper returns and nearly 47 million e-filed returns.

E-government is an integral part of the President's Management Agenda to make it easier for citizens and businesses to interact with the government, save taxpayer dollars and streamline citizen-to-government transactions. A copy of the President's E-government strategy, which includes information on each of the E-Government Initiatives, is available on the OMB Web site at

[www.omb.gov](http://www.omb.gov).

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